

April 18, 2013

Company Name: POLA ORBIS HOLDINGS INC.  
Representative: Satoshi Suzuki, President & CEO  
TSE Code: 4927 (TSE 1<sup>st</sup> Section)  
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## Announcement Regarding Liquidation and Dissolution of an Overseas Subsidiary

The POLA ORBIS Group hereby announces that it resolved at a meeting of the Board of Directors held today, to liquidate and dissolve its subsidiary, POLA U.S.A. Inc. (headquartered in California, USA, hereinafter referred to as "PUI"). .

### 1. Reason for Liquidation

PUI has been importing and selling cosmetic products as a hub of POLA Inc. in the USA.

Taking into account its basic policy of overseas strategy centering in Asia, and business environment in the USA, the POLA ORBIS Group has decided to liquidate PUI in order to concentrate management resources to Asia.

The POLA ORBIS Group will continue its business operations in the USA, mainly through overseas brands, such as Jurlique and H2O PLUS.

### 2. Overview of POLA U.S.A. Inc.

1) Company Name:	POLA U.S.A. Inc.
2) Address:	251 East Victoria Street Carson, California 90746
3) President:	Jun Takahashi
4) Description of Business:	Import and sale of cosmetic products
5) Amount of Capital:	USD 15,500,000
6) Date of Establishment:	September 1975
7) Shareholder:	POLA INC. (100% ownership)
8) Fiscal Year-End:	December 31
9) Sales:	USD 3,990,000 (as of fiscal 2012)
10) Net Assets	\$(5,110,000) (as of fiscal 2012)

### 3. Schedule

April 18, 2013:	Liquidation resolved
After October 2013:	Dissolution to be completed

### 4. Forecast

Impact of this liquidation on the first quarter consolidated financial results is estimated as follows:

- 1) Loss on liquidation and loss on reserve of foreign currency translation adjustment be around ¥1 billion to ¥1.1 billion (extraordinary loss)
- 2) Decrease in tax expenses to be ¥1.1 to ¥1.2 billion (income taxes – deferred)

These are expected to be recorded on fiscal 2013 first quarter results.

Impact of this liquidation on the consolidated financial results from second quarter onward will be minor.

Note: The impact to the consolidated financial results is estimated based on the information available today and the actual impact may differ due to various changes of situation in the future.